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IAC-M-129

17 November 1953

## INTELLIGENCE ADVISORY COMMITTEE

Minutes of Meeting Held in Director's  
Conference Room, Administration Building  
Central Intelligence Agency, on 17 November 1953

Director of Central Intelligence  
Allen W. Dulles  
Presiding

### MEMBERS PRESENT

Mr. W. Park Armstrong, Special Assistant for Intelligence,  
Department of State  
Major General Arthur G. Trudeau, Assistant Chief of  
Staff, G-2, Department of the Army  
Rear Admiral Carl F. Espe, Director of Naval Intelligence,  
Department of the Navy  
Major General John A. Samford, Director of Intelligence,  
Headquarters, United States Air Force  
Colonel Samuel M. Lansing, acting for Deputy Director for  
Intelligence, The Joint Staff  
Dr. Charles H. Reichardt, Atomic Energy Commission  
Representative to the IAC  
Mr. Victor Keay, acting for Assistant to the Director,  
Federal Bureau of Investigation

### ALSO PRESENT

\* Mr. Robert M. Macy, Bureau of the Budget  
\* Mr. Hart Perry, Bureau of the Budget  
\* Mr. Lyman Hamilton, Bureau of the Budget  
\* Lt. Gen. Charles P. Cabell, Central Intelligence Agency  
Mr. Robert Amory, Jr., Central Intelligence Agency  
\* Colonel Lawrence White, Central Intelligence Agency  
[redacted] Central Intelligence Agency  
Dr. Sherman Kent, Central Intelligence Agency  
Dr. H. Marshall Chadwell, Central Intelligence Agency  
Mr. James Q. Reber, Central Intelligence Agency  
[redacted] Central Intelligence Agency

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\* Part of Meeting

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Mr. John F. Killea, Department of State  
Colonel George R. Gretster, Department of the Army  
Lt. Colonel T. C. Anderson, Department of the Army  
Lt. Colonel Henry C. Hatchell, Department of the Army  
Captain Allan L. Reed, USN, Department of the Navy  
Captain C. J. Stuart, USN, Department of the Navy  
Colonel Donald H. Ainsworth, United States Air Force  
Lt. Colonel Thos. C. McGuire, United States Air Force  
Captain E. T. Layton, USN, The Joint Staff  
\* Colonel John G. Ondrick, The Joint Staff

\* Part of Meeting.

Secretary

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Meeting with Representatives  
of the Bureau of the Budget

1. Action: Agreed: (1) that an ad hoc committee consisting of agency representatives who have participated in the semi-annual NSC Status Reports, and such other representatives as the agencies desire, would attempt to develop a classification system, or systems, which would be useful in the review or survey of intelligence budgets which the Bureau intends to undertake; /It was understood that the Bureau's survey would exclude internal security programs./ (2) that the IAC members would study Mr. Macy's remarks and printed resumé and discuss other aspects of the problem at the next IAC meeting.

2. Discussion: Mr. Macy, Chief of the Bureau of the Budget's International Division, explained that because of the growing interest of Congressional committees in the expenditure of funds for intelligence activities and the need to provide advice to the President on the balance among such activities and their relation to other national security programs, the Bureau was undertaking a budgetary survey of intelligence programs. This survey, he noted, would deal in lump sums rather than in detail and would naturally have to take into account the sensitivity of some aspects of intelligence. Mr. Macy emphasized the need for expert guidance and assistance from the intelligence chiefs in order that this survey may be done properly and most usefully. He believed that the results might be quite useful to the intelligence agencies, as well as to Mr. Dodge, the President and the NSC. He appreciated, he said, the opportunity to discuss this matter with the IAC, whose product he had become acquainted with in the Policy Planning Board and for whose past activities in integrating the intelligence program of the government he had a great respect.

3. He explained the relation of his responsibilities to those in the Bureau charged with surveying military programs, the intelligence aspects of which are to be handled by his Division.

4. Mr. Macy felt that whereas it would be a mistake for Congress to expect the DCI to defend the agencies' individual budgets, nevertheless Congress should be able to receive answers to over-all questions on such matters as gaps, priorities, and duplication. It was brought out by discussion, and there seemed to be general

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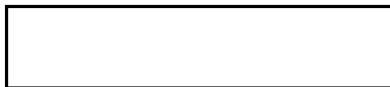
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agreement, that that duplication which is unprofitable is truly reprehensible, but that some duplication may be both warranted and desirable, particularly in terms of the problem of the relationship of intelligence to command.

5. Mr. Armstrong and General Samford commented on the difficulties in identifying the intelligence quotient of such activities as the Foreign Service or aerial reconnaissance. It was recognized that much of the work of intelligence is far from routine and is subject to constant change. General Samford felt that there was a risk that oversimplified conclusions may be drawn from such a survey, and these, once made, might become binding if not left to the agencies to adopt at their option.

Approval of Minutes  
(IAC-M-128, 10 November)

6. Action: Approved.



7. Action: Disapproved.

First Triennial Progress  
Report of the Watch  
Committee (IAC-D-6/2)

8. Action: Noted and referred to the special committee formed to review the watch process (IAC-M-124, Items 3 and 4).

9. Discussion: In response to Mr. Armstrong's inquiry as to the effect of IAC "noting", it was pointed out that the submission to the IAC of IAC subcommittee reports, or IAC progress reports, is intended to provide systematically, to the chiefs of intelligence, information regarding cooperative activities as well as an opportunity for the chiefs to criticize the way things are going and to take stock of whether changes should be made. Normally, reports from IAC subcommittees submitted to the IAC for noting have initially

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received the concurrence of the agencies' subcommittee representatives. While IAC concurrence is not requested, it is appropriate for any member to raise objection to any portions of the reports which affect his responsibilities or to question any other portions.

Matters for NSC Briefing

10. Discussion: The Director indicated that Indonesia would be the principal subject of his briefing. Mr. Armstrong mentioned a current report from Karachi; General Trudeau referred to information on Singapore.

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